

## Roe Offers Amendment in Education & Labor Full Committee Markup

Amendment would  
strike the government-run public health care plan

WASHINGTON, DC — Today, Congressman Dr. Phil Roe (TN-1) offered an amendment during the House Education and Labor Full Committee markup intended for the health care legislation introduced by Majority Democrats this week. Roe's amendment was the fifth one offered in the hearing. Enclosed is the statement Roe made in the markup session regarding his amendment that would strike a government-run health care plan:

Thank you Mr. Chairman. My amendment today is beautiful in its simplicity. It strikes the government-run public plan. Let's be clear about the stakes here: the inclusion of this proposal is the single-biggest obstacle to achieving bipartisan health care reform this year.

We know we can achieve bipartisan health reform if both sides are willing to find common ground and shelve controversial proposals. We agree on getting more bang for our buck by reforming the health insurance industry and encouraging patients to live healthier.

Instead of declaring victory and doing something meaningful to improve the cost and quality of health care, however, we are engaging in a debate about whether we want government bureaucrats red-taping needed care for patients because of costs or whether we want doctors and patients to decide what care is necessary.

I know the other side of the aisle swears up and down that they don't intend to create a government-run system. The problem with this rhetoric is it doesn't square up with what happens when the rubber meets the road. If it sounds like I am making this argument with certainty, I am. As a Tennessee physician who experienced first-hand the disastrous result of a similar previous experiment with a public option, I thought I should share our state's experience with this model.

The case Democrats are making for a "public option" closely mirrors the debate we had in Tennessee 15 years ago. In 1994, Tennessee's rapidly-expanding Medicaid costs and huge uninsured population caused us to rethink how care was delivered, so our state applied for a Medicaid waiver to create a new program known as TennCare. The program's goal was noble — to cover expand health coverage through a government managed care option, which at the time was thought to be able to deliver quality care and control costs. The idea was very similar to the

Administration's current idea of the Exchange program — private insurers would compete with the state Medicaid plan to provide insurance. To ensure that the idea was attractive, TennCare promised a rich benefits package.

The program achieved its goal of expanding coverage, but it nearly bankrupted the state, resulting in the most expensive Medicaid program in the country. Ultimately it had a detrimental effect on health insurance in the state.

Rather than injecting competition into the marketplace, TennCare resulted in huge cost shifting. Within a matter of years, 45 percent of the individuals on TennCare had previously been insured by their employers. The employers had made a perfectly logical decision: they could reduce costs by putting their employees into the public plan. When the rolls swelled, Tennessee legislators were left with no other choice but to reduce benefits, cut payments to physicians and, finally, limit eligibility. It's a shame Phil Bredesen, our Democratic governor who campaigned on "fixing TennCare," did not become the Health and Human Services Secretary. I have a feeling he'd be encouraging us to go in a whole different direction here.

The government-run plan proposed in this bill will have generous benefits and will receive start-up funds from Congress. It will not have to pay the cost of providing care and will have the federal government strong-arming providers to accept the program.

What happens next is obvious to those of us who have seen this play out before. Employers paying health care costs of 12 percent will eliminate coverage and pay the 8 percent penalty to save 4 percent. Those on private insurance — which pays more than the cost of care to subsidize Medicare and Medicaid — will be required to pay more to subsidize the new public plan.

Over time — it may be three, five or ten years — private insurers won't be able to compete with a government-run plan, and in the end, the majority of Americans will simply end up with one government-run program.

What's wrong with government-run care is that care must be rationed to meet the budget. The five-year survival rate for breast cancer in the U.S. has increased from 50 percent to 95 percent, largely because of education, early diagnosis and sophisticated medical treatment. But in England, which has a national health system, the highest survival rates I've seen are 78 percent. They don't have routine preventive care. While it's less costly to wait for a lump to develop, no American in their right mind would accept this approach. But these are the choices that have to be made in a public health plan funded with taxpayer dollars.

While many of us have disagreements with other points in this bill, no single provision has anywhere near the potential to wreak havoc on patients' ability to get needed care as this "public option for government run care." Democrats could accept this amendment as a good-faith symbol of their willingness to find common ground and achieve a bipartisan result on health care reform.

To view this statement, please [click here](#).